


TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

July 21, 2004

OK

TO: Internal File

FROM: Gregg A. Galecki, Team Lead 

RE: SITLA Lease Amendment, Canyon Fuel Company, LLC., Dugout Mine,
C/007/0039, Task ID #1915

SUMMARY:

On January 14, 2004, the Utah Division of Oil, Gas & Mining (Division) received and application to add a SITLA Lease to the Canyon Fuel Company (CFC), Dugout Mine plan. The SITLA lease adds 2,360 acres to the permit area, which required an Administrative Completeness Review (ACR). The Completeness review was returned to CFC deficient on February 24, 2004, and then again on April 14, 2004. The application was determined complete on May 18, 2004, when the current technical review began. The following analysis is a review of the geologic information germane to the proposed amendment only. Incorporation into the currently approved Mine and Reclamation Plan (MRP) is recommended.

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TECHNICAL ANALYSIS:

ENVIRONMENTAL RESOURCE INFORMATION

Regulatory Reference: Pub. L 95-87 Sections 507(b), 508(a), and 516(b); 30 CFR 783., et. al.

GEOLOGIC RESOURCE INFORMATION

Regulatory Reference: 30 CFR 784.22; R645-301-623, -301-724.

Analysis:

The geology is covered in Chapter 6 of the currently approved MRP. The description of the geology, both permit and adjacent areas are addressed and updated with a modified Plate 6-1. Cross sections 6-4 through 6-7 have also been updated to include the SITLA lease. On Plate 6-1, Geology of Dugout Canyon Mine Permit area, the only modification was to change the 'future expansion' area into the permit area. No other modifications were necessary.

Findings:

The information provided adequately addresses the minimum requirements of the Environmental Resources – Geologic Resource Information section of the regulations.

MAPS, PLANS, AND CROSS SECTIONS OF RESOURCE INFORMATION

Regulatory Reference: 30 CFR 783.24, 783.25; R645-301-323, -301-411, -301-521, -301-622, -301-722, -301-731.

Analysis:

Coal Resource and Geologic Information Maps

Geologic information already existed on Plate 6-4 (Rock Canyon Seam Overburden Thickness), Plate 6-5 (Rock Canyon Seam / Gilson Seam Interburden map), Plate 6-6 (Rock Canyon Seam Isopach map – "Confidential), and Plate 6-7 Gilson Seam Thickness Isopach map – "Confidential") however these plates were updated with additional information obtained with mining and additional exploration drilling. The permit boundary was also modified to include the 'area of future expansion' at the permit area.

Findings:

The information provided adequately addresses the minimum requirements of the Environmental Resource Information - Maps, Plans, and Cross Sections of Resource Information section of the regulations.

RECOMMENDATIONS:

The geologic resource information provided adequately addresses the minimum requirements of the regulations. Incorporation into the currently approved Mine and Reclamation Plan (MRP) is recommended.